



Indiana Department of Education

SUPPORTING STUDENT SUCCESS

Center for School & Student Academic Support
Office of School and Community Nutrition

MEMORANDUM

TO: NSLP Sponsors Contracting with Food Service Management Companies (FSMC)

FROM: Michael Gill, Director

DATE: Procurement Implementation

SUBJECT: April 2008

Procurement Requirements (7 CFR Parts 210, 215, 220) published October 31, 2007 requires all LEAs that contract with a FSMC to re-bid their contracts. The rule suggests that this process be completed by June 30, 2008; however it also allows the State to grant renewals through June 30, 2009. The State Agency will require that all LEAs re-bid their FSMC contracts to commence by July 1, 2009.

If you are currently in the process of re-bidding your FSMC contract, or conducting a first time procurement of a FSMC with a starting date of July 1, 2008 then you will meet the current ruling.

In addition, the final regulation requires: "The annual term of most school food authority food service management company contracts mirrors the July 1 - June 30 school year." There are currently some contracts in Indiana that have a starting date in the middle of the school year. The State Agency will require all contracts to have a July 1 - June 30 school year term. Therefore, if you have a FSMC contract with a starting date other than July 1, then you must re-bid your contract to commence on July 1, 2008 or 2009.

All FSMC contract terms are for one year with the option to renew for four one-year periods. There was a concern that some viewed the one year with four one-year renewals as a single contract, but this is incorrect. "The decision to renew the contract is an affirmative decision by both parties. Generally each renewal period is accompanied by some change in the contract terms...." Therefore a signed amendment to the contract must be forwarded to this office for each renewal period.

If there are questions regarding the implementation of this final ruling, or the procurement procedure, please e-mail Frederick E. Powell at fpowell@doe.in.gov.